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THE EAST EUROPEAN REGIMES HAVE

brought great pressure to bear upon the urban technicians to go to the villages to improve the technical facilities available for the farms; and simultaneously, strenuous efforts have been made to strengthen the Party organization in the villages. "The situation cannot be tolerated," complained the Hungarian Party organ, *Szabad Nep* in December 1953, "in which skilled and well-educated agricultural experts work in agriculture only in small numbers, and the greater part is engaged in administrative work."[26]

The administrative weakness of the State in the countryside was also evident from the inferior quality of the personnel employed in rural posts. "Not one of the managers of the Machine and Tractor Stations," the Czechoslovak Minister of Agriculture, Jindrich Uher, revealed, "has a higher-school education and only 3.5 per cent have had a secondary education." Moreover, only 10 per cent of the senior agronomists at the MTS had a higher education, and only three per cent of the State Farm workers had completed work at technical schools.[27] Such were conditions in the most modernized of the Satellite nations; undoubtedly, they were much worse elsewhere.

In Poland, for example, an official analysis, based on "incomplete data," revealed that in its 402 Machine and Tractor Stations there were 76 directors, 72 political leaders, 101 senior agronomists, and 101 senior mechanics who had no qualifications for their jobs whatsoever![28] No doubt it was this wretched situation which explains the recent feverish efforts of the Polish Government to train vast numbers of agricultural experts for immediate service as part of its New Course for Agriculture.

But even if the Communists succeed in increasing the output of farm technicians, two serious problems inherent in the system remain. First of all, there is the tendency of these technicians to attach themselves to the central ministerial apparatus from which so much wealth and prestige is derived in the totalitarian state. Secondly, the technicians who have been dispatched to the countryside are burdened with a host of responsibilities unrelated to the task for which they were trained—that is, the endless paper work of Communist bureaucracy. Resolutions, orders, decrees, receipts, dossiers follow each other in an endless succession, requiring immense expenditure of time and effort, and multiplying as the farm

[26] *Szabad Nep* (Budapest), December 4, 1953.
[27] *Rude Pravo* (Prague), December 19, 1953.
[28] *Nowe Drogi* (Warsaw), January, 1954, p. 73.

666 369 463 apparatus grows. When the introduction of the New Course in 1953 made agricultural improvement imperative, the seriousness of this bureaucratic delay and confusion became the subject of frequent attack by Communist orators, confirming the judgment of a prominent American student of Communist agricultural life who wrote:

> When you read . . . of the remarkable increase in the number of agronomists and other agricultural specialists and technicians in the Soviet Union, remember that many of them are not engaged, or do not spend much of their time, in research or extension or other technical work, but are trying to cope with the vast amount of bureaucratic paper work required by the Soviet system.[29]

The recurrent drives to "deflate the ranks of the farm bureaucracy" have not generally, according to this same expert, proved successful.

407 241 An additional measure of the long-standing Communist reluctance to divert national resources to agricultural development is to be found in the relatively lethargic pace of farm mechanization. While it is true (see Table 23) that an increase in the mechanization of the "Socialist sector" did accompany collectivization, the increase was by no means as great as popularly pictured, and was not even as great, proportionally, as the increase which accompanied Soviet collectivization in the early thirties. Since one of the stock justifications of large-scale collectivized farming was, and remains, its alleged capacity to exploit modern farm machinery, the failure of the Communists to supply the farms with adequate machinery indicated the degree to which this Communist argument was a rationalization for a policy of exploitation.

Since the broad Russian plains are more adaptable to use of farm machinery, especially large tractors and combines, comparisons with Eastern Europe and its more broken terrain are not altogether apt. However, it should be noted that the Soviet Union provides a higher proportion of tractors to its farms than do the East European Communist regimes. As indicated in Table 23, there were approximately 107,500 tractors in service in Eastern Europe in 1952-53, compared with approximately 45,000 four years earlier. During the four years of collectivization, then, the tractor park in Eastern Europe was increased by only 62,500. In the USSR, on the other hand, over 100,000 tractors were produced in the year 1936 alone,[30] far fewer than was needed, but far greater proprotionately than in Eastern Europe.

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[29] Lazar Volin, "Russia's Agricultural Potential," *Foreign Agriculture*, October, 1953, p. 179.
[30] Harry Schwartz, p. 243.

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'In addition to the outright confiscation of Jewish property and the acquisition of important Czechoslovak financial claims and capital assets in southeastern Europe, the Germans assumed control and ownership of the main financial and industrial establishments in Bohemia-Moravia. 471

'Czech banks were forced to merge,[1] so that finally only four banks remained. German capital (Creditanstalt, Dresdner Bank and Deutsche Bank) owned roughly 18 billion of the total capital of 33.6 billion crowns (Koruny) invested in the banks. [463]

'Most of the industrial property and interests came under control of the Hermann Goering Werke (Vitkobice Works, Mining and Foundry Company, the Podbrezova foundry in Slovakia, the armament factories of Skoda and Brno, the steel mills and coal mines of the Poldihuette A.G.). I.G. Farben took over the chemical works of the former Aussiger Verein and the Bratislava plants of Dynamit Nobel.

'In the Sudetenland, which was incorporated into the Reich, a specially-created firm, Sudetenlaendischer Bergbau, controlled by the Hermann Goering Werke, took over the former property of the Czech state, of the Zivnostenska Banca and of the Petschek family interests.' (op. cit. pp. 6-7).

At the same time the Germans developed certain industries for war purposes, because Czechoslovakia was relatively immune from air attack. For instance, the aircraft industry which before the war employed about 5,000 workers, in 1944 employed more than 100,000. This increased the proportion of industry in Czechoslovakia controlled by Germans. [463]

Since even before Munich, 40 per cent of the industry of Czechoslovakia was owned by German citizens, it is clear that the proportion of German capital at the end of the war was not less than 60 per cent of industry and almost 100 per cent of financial institutions (banks, insurance, etc.).

Of Poland, Mr. Sharp writes: 'Polish banks in the incorporated areas were swallowed by the Ostbank A.G., a subsidiary of the Dresdner Bank. A special organization was set up to take over industrial property, either outright or in the form of compulsory administration by the Haupttreuhandstelle Ost. Coal mines were taken over by the Hermann Goering Werke in Silesia and by the Pruessische Bergwerks- und Huetten A.G. in the Dombrowa basin. The Schlesische [453]

[1] [In early 1940's -- Analyst]

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471 The production of pig-iron in the Western territories was about 50 per cent of the production of Old Poland, and of steel 70 per cent. An important chemical industry, with a wide range of products, came to Poland through the annexation of the Western Territories. The sugar refining capacity of the Western Territories was the same as that of Old Poland. In fact, 'The total capacity of this industrial belt (i.e., of the Western Territories—Y.G.) is equal to that of the whole of pre-war Poland'. (*The World Today*, May, 1948).

471 [463] Out of the two million people employed in 1937 in all the mines, industry and handicrafts of Poland, the majority, 1,177,858 people, worked in small-scale industry and handicrafts (employing fewer than 15 workers), while large and medium-sized industry (which includes all enterprises with more than 15 people) employed only 830,000 people. By contrast, the industries of the Western territories employed before the war over 1,000,000 workers, the great majority of them in large enterprises, hundreds of which employed more than a thousand workers each.

It is therefore clear that when, after the expulsion of the German population (the great majority of them workers and their families), the industry of the Western territories was declared state property, an important—if not the major—part of the industry of new Poland was by that act removed from private ownership. If this had been the only nationalisation undertaken, state ownership in industry proper, i.e., excluding handicrafts and industries employing less than fifteen people, would already have far outstripped private ownership. This was not immediately clear because a certain time-lag was inevitable before enough Polish workers could be found to man the industries of the Western territories. Thus, for some time after the war the nationalised industry of the Western Territories played a less important role in the total industry of the new Poland than would have been expected.

Of the territory of Old Poland Clarion writes: 'When we take into account the fact that large and medium industry in Old Poland mean medium and small industry in the West, the nationalisation measures left outside state property 45 per cent of the total number of industries, or at the very least 60

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living conditions improve considerably in the cities, the governments will have difficulty in procuring the hundreds of thousands of new industrial workers they require annually. However, manpower is still one of the principal assets of the captive countries.

The quality of this manpower is, generally speaking, better than is assumed in the West. First, there is a considerable industrial tradition, which goes back to the Middle Ages, in Saxony, Bohemia, and southern Poland. Second, the average intelligence of the people is fairly high; given time and education an average village boy or girl can become a skilled worker and, in many cases, a qualified technician, although of course such students lack the always evident association of American youth with motor vehicles and other machinery.

It might be interesting to quote here a relevant passage from the report of the mission of the U.N. Food and Agricultural Organization, which was composed mostly of American experts, after its return from Poland in 1948:

> It is the opinion of the Mission that if the Polish nation had an opportunity to be educated according to the standards of western Europe and to carry out a peaceful economic development, the world would be amazed by the result. Imperfectly developed resources of intelligence constitute the greatest potential wealth of the Polish people. It is a raw material of far greater value than [Polish] coal . . .[1]

Assuming that this is a sound judgment, there is no reason to doubt that it applies also to the other countries of this region.

The number of graduate engineers, chemists, and scientists in Eastern Europe declined greatly during the last war and during the postwar flight to the West, but is now increasing rapidly. The joint know-how of such technicians should not be underestimated, especially when Russian technical experience is added to it. Technical inventions and improve-

[1] *Report of the FAO Mission for Poland* (Washington, 1948), p. 18.

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463 ments made by single countries of the area are systematically exchanged with Russia and other captive countries, and many thousands of Soviet, Czech, Eastern German, and Hungarian experts, technical advisers, and skilled specialists are employed by the less advanced countries of the area. It is difficult, if at all feasible, to compare the sum of technical knowledge behind the Iron Curtain to that in the free world. Undoubtedly, the countries of Eastern Europe lag behind the free world in all technical respects, but it would be imprudent to believe that they are not making much technical progress.

433 377 The area as a whole and the single countries within it, except for Eastern Germany and Czechoslovakia, are, generally speaking, self-sufficient in foodstuffs. It also has sufficient reserves of solid and liquid fuel. Using both these reserves and their hydroelectric power, it can produce an increasing amount of electric power. On the other hand, the area is poor in metallic ores. There is much bauxite in Hungary, and supplies of lead and zinc in Poland. Yugoslavia and Bulgaria are rich in many ores. However, there is not enough iron or manganese ore in Eastern Europe, far from enough copper, no tin, and a lack of many supplementary metals of significance to modern metallurgy. Chemical raw materials are abundant, especially in Poland and Rumania, but the area lacks phosphate rock and is poor in sulphur compounds. It has no jute, very little cotton, not enough wool, and no rubber. The resulting limitations to industrial expansion are obvious. They are offset to some extent by the existence of dormant resources and by the fact that the southern Balkan area has not yet been properly explored. It is possible that the Balkan mountains contain more mineral wealth than has been assumed hitherto. Soviet geologists are certain that this is so. Some deficiencies in raw materials can be met, as was the practice under Hitler, by using substitutes such as synthetic oil, rubber, yarn, and plastics. This area can